

**Iowa Telecommunications & Technology Commission  
Grimes State Office Building, 1st Floor  
400 E. 14th Street, Des Moines, IA 50319**

**FINAL**

**January 15, 2015**

To ensure the most efficient use of State resources, the January 15, 2015 ITTC meeting was held via video conference pursuant to Iowa Code section 21.8. A video conference also ensured more Commissioners were able to participate in the meeting and reduced the risk of delays caused by weather or other impediments to travel. The meeting was accessible to members of the public through attendance at the Grimes State Office Building.

**Commissioners Present**

Richard Bruner, Chair (on site)  
Timothy Lapointe, Member (on site)  
Kathleen Kohorst, Member (on site)  
Mary Mosiman, Ex-Officio Member (on site)  
Mary Sellers, Member (on site)  
Kelly Dolan Lange, Member (on site)

**Iowa Communications Network Staff Present:**

Ric Lumbard, Executive Director  
John Case, Technical Assistance Center Tech  
Karen Alessio, Secretary (Recorder/Minutes)

**Guests:**

Joe Coon, Mississippi Bend Area Education Agency (AEA) (via video conference)  
Frank Hilton, Iowa Network Services (INS)  
David Faith, Attorney General's Office (AG)  
Sean Cory, CenturyLink  
Kevin Condon, Iowa Communications Alliance (ICA)  
Michael Sadler, CenturyLink

**Call to Order**

Chair Bruner called the meeting to order at 10:31 a.m. It was noted that a quorum of members was present for the meeting.

**Approval of the December 17, 2014 Meeting Minutes**

Commissioner Lapointe moved to approve the December 17, 2014 Iowa Telecommunications and Technology Commission (ITTC) minutes as written. Commissioner Dolan Lange seconded the motion. The minutes were approved unanimously.

Commissioner Kohorst – Yes  
Commissioner Lapointe – Yes  
Commissioner Dolan Lange – Yes  
Commissioner Sellers – Yes  
Commissioner Bruner – Yes

**Old Business:**

**Managed Services Update – Ric Lumbard**

Ric discussed the expectations for the ICN throughout calendar year 2015 and into the next fiscal year. The Leadership team has set a course of direction for ICN's future; the first area requiring leadership development. ICN has a strong technical leadership team and with history coming out of different climates, we felt it would be beneficial to build cohesion and communication within the team. The teams have been in the process of undergoing Metrics Based Leadership Profiling in order to, at a high level, improve how they function.

The leadership and management teams are currently meeting at the Hoover Building to raise the level of agreement in the ICN. At times, the commitments we make to customers, to ourselves internally, to the organization, and to our vendors are not always the same level of agreement. I want to have cohesion and integrity in the level of agreements of operation within the ICN. Our contracts are solid as we adhere to contracts on paper. I want the workflow level of agreements within the ICN's processes to take a step up. This is the ICN's strategy; not more systems, processes, or more policies. The ICN is going to work with the human capital of our leadership team first and help strengthen their ability to lead the organization well.

#### Q&A Discussion

Q: **Commissioner Kohorst** – How do you define who is part of the Leadership team?

A: **Ric Lombard** – The Management structure of the ICN is defined by the Executive Team which includes:

- Ric Lombard, Executive Director,
- Deb Evans, Chief Financial Officer,
- Mark Johnson, Chief Operating Officer.

The leadership team meets weekly.

Four bureaus within the ICN are led by the following 4 managers:

- Operations – Dave Marley
- Finance – Mike Cruise
- Engineering – Helen Troyanovich
- Business Services – Phil Groner

The Executive Team and the four Bureau Managers make up the Leadership team.

Workflow leads manage work flow and monitor the completion of orders. The workflow leads do not manage human capital. Only bureau heads monitor human capital components of each bureau.

Q: **Mary Sellers** – What is the training specifically?

A: **Ric Lombard** – Character Genetics is an organization that works with CXS Level Development who collaborates with leaders to develop high levels of proficiencies at leadership levels. Character Genetics provides workshops that specialize in leadership, performance, communication and the development of human capital. The leadership team is encouraged to make adjustments as they identify areas to reach their full potential in order for the ICN to provide the state with our best effort.

#### New Business:

##### **2015 ICN Direction – Ric Lombard**

The transition from Windstream to Fiber Network Services as the new Network Managed Services contractor was a smooth transition into the New Year. A couple of events have occurred since the transition which provided an opportunity to see the organization at work in the areas of work flow, repair, and response. The ICN has been very pleased with the vendor transition and the direction in which things are happening as a good system is in place. The new management for the existing staff is also going well.

ICN will release a date to have the Voice Managed Services contract signed. This transition is taking place to reduce the high exposure of maintenance hardware expenses that we have on our voice platform. The ICN will continue to provide voice transport services but the actual voice applications and process will come from the vendor. This will continue to build the public/private partnerships in the same manner our Network Manage Services utilizes Fiber Network Services to manage our network. We will then begin to utilize CenturyLink as a service provider to begin working with our voice services. This is ICN's strategy to make good on the promise to the Department of Management (DOM) to reduce voice cost exposure. Our existing vendor was not able to move us in that direction in a way that was meaningful, sustainable or future proof. This Voice Manages Services is the result of a year's worth of work and we believe that we are close to completing that process.

### **Broadband Matters Campaign – Ric Lumbard**

The initiative to raise awareness of broadband in Iowa is going very well. Conversations are happening as the broadband message is being discussed with Legislators and others. Efforts are being made to raise the broadband conversation to a higher level of maturity so people can understand what broadband is regarding its application and importance. The majority of people in the State of Iowa do not understand the importance of broadband because there is a difference between availability and adoption. When broadband is available, that does not guarantee that it converts into revenue for the private sector. It involves more than having access to broadband, it encourages the question – “why have broadband?” As a result, adoption levels rise across the state, which is not self-serving to the ICN because we are not involved with the private sector, residential, or economic development. The intention of the broadband message needs to be communicated at a high level even if it does not directly impact the ICN. The ICN is carrying that message strongly on every level as correspondence with the media occurs almost daily.

Broadband is a serious issue to the private sector as they are experiencing pressure to install infrastructure by investing large amounts of revenue exposure throughout the market space, which can pose real concerns. It is important for people to be aware of the economics and understand the metrics of broadband so the conversation in the State of Iowa is strong and stable.

Both the President and Governor Branstad’s message was strong declaring the importance of broadband; however, their approaches are different. Governor Branstad’s approach involves working together in keeping with public/private partnership mandates. ICN is strong because of the contracts it has with the private sector as we collaborate with them in multiple ways while not competing or acquiring revenue from them but working with them in those areas instead. President Obama’s message fostered a strong competition. The ICN believes that working together in partnership can still be accomplished at a lower cost threshold without causing business winners and losers within the private sector.

### *Q&A Discussion*

**Chair Brunner** – I believe that the Broadband Matters campaign is going very well. The main idea is to spread the message that broadband does matter. The issue facing the industry has always been that availability is out there but what if people do not purchase it? The initial investment has been made but there is no incoming revenue.

**Q: Commissioner Lapointe** – Where we are currently is not too dissimilar to where the network was at its inception. The goal was to bridge the digital divide and incorporate fiber to rural areas. The challenges are similar to the rollout that we are experiencing extending broadband. Are there areas that historically we can rely on to get the Legislature to come on board?

**A: Ric Lumbard** – There will always be detractors that believe that the ICN should not be utilizing certain space. However, the ICN is going to work on being as clear and clean in our messaging as possible to provide broadband to government, education, health care and public safety. The ICN is not anticipating moving beyond those four areas. ICN’s responsibility is to bring strength into the broadband message in the areas we have influence. The areas we do not have influence are clear; economic development, residential and commercial sector. The ICN has opened communication with the private sector in several areas and has provided information to them. If ICN hears information that may be beneficial to the private sector that information is shared with several key people.

**Q: Commissioner Lapointe** – I recently read that Dave Duncan of the Iowa Communications Alliance (ICA) is supportive of the broadband initiative. Is it a fair assumption to assume that ICA is on board regarding the Broadband Matters campaign?

**A: Ric Lumbard** – Communication regarding the Broadband Matters campaign began immediately between the ICN and ICA. ICN communicated to the ICA the plan and purpose of the Broadband Matters campaign as well as the trajectory. The broadband conversation with ICA is continuous; however, there will be times of inability to work together in some things but ICN will continue to strive to be clear, open and honest with what we are doing.

### **ITTC Video Conferencing Changes – Ric Lumbard**

In a couple of weeks, ITTC members will be receiving iPads that will be used for ITTC Meetings. The telephonic meetings will also include a mobile video element which allows further flexibility.

### **Legislative Update – Ric Lombard**

The Legislature is now in session. Ric Lombard and Mark Johnson have attended meetings with Senators, Representatives and Legislative staff. ICN management will continue to meet with legislative leadership regarding issues that may potentially impact ICN, as necessary. Because ICN does not receive revenue from Iowa's general fund, the infrastructure request that is sent out each year is the state's responsibility for their telecommunications on the Capitol Complex as well as the E-Rate participation so the ICN can provide discounts to the schools. The E-Rate participation has been included to the Governor's proposed budget.

Senator Brase has proposed legislation so that the 911 facilities can peer directly. Through the Department of Homeland Security (HSEMD), the ICN provides E911 connections directly to the PSAPS (Public Safety Answering Points) , Senator Brase suggested connecting across to each other through a peer level. This would result in a different use of network for the ICN since that is a circuit ICN provides through HSEMD. Senator Brase feels strongly that the PSAPs should be able to connect directly as they are already physically connected. ICN's opinion is if that is a benefit to HSEMD and the legislative body then the ICN is in agreement as it does not cost anything to provide the physical connection but would allow the PSAPs to communicate.

The Governor's Broadband initiative will include a \$5 million grant process. ICN is in favor of that approach and has talked about the broadband grant process for some time. This would allow for accountability, a process to be put in place and the visibility to move broadband deployment in some way. The \$5 million may not be sufficient to impress everyone, but it is a step in the right direction, and would certainly increase availability.

Currently, there is language pending that is part of the Broadband package from the Governor that would appoint the Chief Information Officer (ICIO) to the ITTC Commission. At this time it not known whether the CIO would be appointed as a voting member or non-voting member. This would allow the CIO, who has a great deal of responsibility for the broadband message throughout the State of Iowa, to have insight as to what takes place in the ICN. The ITTC Commissioners and the ICN have a strong relationship with the Office of the Chief Information Officer. The ICN and the OCIO work very well together as ICN handles the transport while the OCIO handles the layer four and above. The OCIO is a very capable leader in the State of Iowa.

### **Q&A Discussion**

**Q: Commissioner Lapointe – Who is the OCIO?**

**A: Ric Lombard –** The OCIO is Robert (Bob) von Wolffradt

### **Four Metrics of the ICN – Ric Lombard**

#### **Health Metrics of the ICN – Ric Lombard**

In 2015, management will be looking at the health Metrics of the organization, making certain that the organization has long-term sustainability at a health level and that we remain strong in the areas that we need to be strong in. In the March ITTC Meeting, I will present to the commission the ICN Dashboard. The dashboard will monitor the health and wellness of the ICN in the following areas:

- Broadband deployment – The ICN will not increase customer base, but we want to increase the level of broadband use to our customers. The ICN wants to ensure that the educational fabric in the State of Iowa has the broadband they need. The ICN is assessing broadband availability as Business Services Manager, Phil Groner, recently reduced our broadband rates. By increasing the level of broadband it will bring price stability to the customer. The Federal Communications Commission (FCC) is proposing a rule making that would set the basis for acceptable level of broadband for residential areas to 25 Mbps download speed, 3 Mbps upload. This is general rule making that hasn't been completed. However, the ICN is synchronous in its service offerings (e.g. providing 25 up and 25 down). The ICN wants to ensure that the educational community in

the State of Iowa is not suffering below the broadband poverty line, which we are defining as 25Mbps.

#### Q&A Discussion

**Q: Tim Lapointe** – How does the 25 Mb compare to the average that we have now?

**A: Ric Lumbard** – There are two ways to look at those stats. There are stats that are currently published that state that 75% of Iowans have access to 25 Mb or above but that does not mean that adoption rates are that high but availability is present. What ICN is looking at is educational based to find out which customers are below that line. ICN is looking to assist with change of below what could be the federal broadband poverty line. This could be our minimum service level this year and we start raising our own bars of what we feel is acceptable broadband to our customers.

**Q: Chair Bruner** – Knowing that Connect Iowa (CI) has a lot of numbers, what would the average residential customer be?

**A: Ric Lumbard** – I am not certain what the residential numbers would be. However, I will provide that information to you.

**Chair Bruner** – It would be helpful to have a guideline as to what the average household would require.

**A: Ric Lumbard** – Some of those questions are difficult to answer, as part of the Broadband Matters, ICN is launching a Broadband Matters *Real People Real Broadband Survey*. Connect Iowa comes from the telecom community from advertising service level down to where the telecom community can say this is what we have coverage in. At times it can be too broad, but it is an acceptable measurement by census district and the private sector. If the ICN was to do that, it would be noted that sufficient coverage is accessible in all 99 counties, but that does not mean that coverage can reach every county. From this type of process, the ICN wants to launch a survey requesting the following questions:

- Are you happy with your broadband?
- Share your experience?
- Are you a business?
- Are you residential?
- Are you in education?

Through the survey, the ICN wants to collect additional information to the broadband message and provide information to anyone who requests it. Yes, there are advertised rates and that is an acceptable measurement to say what generally is available. But the question remains, what is the experience?

#### Discussion:

**Chair Bruner** – Most people are generally concerned if it affects their family or business. Customers also want to know exactly what they are paying for.

**Ric Lumbard** – That is something that will be happening shortly regarding the Broadband Matters campaign that will assist in fostering the conversation.

*Additional information: Connect Iowa maps are located at <http://www.connectiowa.org/mapping/state>. The following link provides the 'Average Residential Download Speed for the State of Iowa' by county and per speed:*

*[http://www.connectiowa.org/connectednationftp/iowa/Statewide\\_Maps/IA\\_Statewide\\_DownloadSpeed.pdf](http://www.connectiowa.org/connectednationftp/iowa/Statewide_Maps/IA_Statewide_DownloadSpeed.pdf).*

#### Margin Management – Ric Lumbard

When I accepted the position of the Executive Director, the financial leadership was shifted from operational driven needs to margin management in the organization. That change was shifted to the Chief Financial Officer (CFO) to manage margin. Margin is the difference between revenue and expenses, including costs for management and sustainment of the network. It will be calculated for all product lines. Margin management will drive pricing products and services to insure lowest cost to our customers. Once again, that will result in an easy process.

Deb Evans, CFO, and Mike Cruise, Finance Bureau Manager, are currently making the necessary accounting system changes to put that in place. Testing will begin in March with full implementation



anticipated by the beginning of the fiscal year (7-1-15). A full margin based visibility dashboard will be created to show the ICN's progress in this area.

### **ICN's Climate – Ric Lombard**

How enjoyable is it to work for the ICN? Are ICN's employees effective and running the best they can and is the ICN growing their employees or is this just another place they have to work? Over a year and a half ago, eight Climate Values were set to inspire our employees. Metrics have been established to assist in monitoring the health of the ICN. Some of the greatest exposures of the ICN are after an employee leaves the ICN because they did not feel valued, or some other negative event. Tuning the organization is taking place to ensure long-lasting, healthy employees in this organization. The ICN Management Team feels that Climate Values are important as is the need for the employee experience to be healthy and produce stability and longevity for the future.

### **Time – Ric Lombard**

Time is very important because it directly impacts ICN's customers and everything that the ICN does. In the past four months, significant changes have been made to increase efficiencies and processes simply by being intentional. This has been in effect for about four months and significant changes have been made to greatly improve production. We are doing this by utilizing time wisely, whether by not having a meeting, having someone doing something twice or sending out an email that everyone has to read. Management is valuing time in the organization because we pay for it and we are striving to value time at a higher level.

A dashboard will be presented to the ITTC Commissioners in the March meeting. After reviewing the results, you will be free to ask questions. ICN believes that when these matrices are applied to the process over time, it will become evident when the organization shifts to become the best it can be.

### **Updates – Ric Lombard**

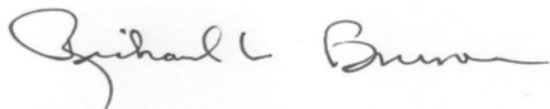
- The Legislature is in session. The ICN is in the process of the Voice Managed Services roll-out to reduce the maintenance exposure on devices that need to be sunset. This is the easiest way for the ICN to regain margin and convert into price width if the ICN is able to decommission sunset equipment and discontinue the reoccurring maintenance.
- Cyber Security is here to stay. ICN's customers experience security breaches and DDoS attacks on regular levels. The ICN is launching a very strong effort in conjunction with the OCIO to provide DDos mitigation to ICN customers. Should Area Education Agencies (AEA) and major school districts come under DDoS attacks, the ICN will provide a strategy to the educational users to mitigate the attacks. The OCIO feels that the ICN is better suited to deliver that service then. Traditionally, Internet Service Providers (ISP) let that data pass through to a customer who is experiencing a DDoS attack and does not provide any mitigation strategies.
- The wall monitor Request for Proposal (RFP) has been awarded and the remaining technology area of the Broadband Information Center should be completed before spring.
- ICN has been reducing some of the provided services as the ICN has connections with CenturyLink within the City of Des Moines and has been inventorying those services. These are the main connections that come in from long-distance carriers and ICN has been reducing them in order to provide savings. It is a slow but necessary process which is currently underway.
- The Health Care Network has added another site bringing the current total to over 200 health care sites. Additional health care clinics are being added to the Health Care Network. ICN is working with a vendor to ensure that their equipment can sustain our services into the future as the ICN maintains that network for the Iowa Hospital Association (IHA).
- ICN is working with the Governor and the OCIO regarding the development of the Broadband Grant Program.

- The ICN lab will be moved from Joint Forces Headquarters (JFHQ) to the Grimes Building since this is where tests are conducted. Having the lab at JFHQ has not been efficient and ICN has been paying for additional space.
- Educational Broadband Poverty Eradication - ICN is setting standards that will move the organization forward. As technology advances the standard will raise, so we will have a tiered approach as to how we deliver broadband in the State of Iowa.
- ICN will be hosting the regional National Association of Technology Directors (NASTD) meeting in Des Moines on April 13- 16, 2015.
- ICN has slowed down from releasing new products without discontinuing older products. This is defined as Product Life Cycle. The ICN does not want to continue adding products without managing the products that we already possess, making certain that they are being turned down at the appropriate time. Business Services has been given a Product Life Cycle strategy for the ICN by bringing in new products but at the same time being released of any financial liability of old products that are intentionally being turned down. The date has already been set for the Moving Picture Experts Group (MPEG) video in 2018.
- The First Net process is proceeding well. The Broadband Committee was created under FirstNet and a committee oversees the work that is done. The ICN is the work group behind the committee due to the technical experience, the outside plant, and engineers. In addition to those who can compute the numbers in order to provide the profiles to FirstNet so they are able to determine what FirstNet would look like in Iowa. ICN is hoping to provide reports to FirstNet in the April timeframe that would contain every county profile and all vertical assets mapped. We have all of the data sets and a Public Safety Profile of how many devices can be expected to be connected to the FirstNet Network in the state of Iowa if and when it is implemented.

### **Adjournment**

Commissioner Kohorst moved that the meeting be adjourned. The ITTC meeting adjourned at 11:31 a.m.

ATTESTED TO:



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Richard Bruner, Chair, Iowa Telecommunications and Technology Commission